

Exhibit 1

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
NORFOLK DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

CIVIL ACTION NO.: 2:13-cv-00653-MSD-LRL

WATERSIDE CAPITAL
CORPORATION,

Defendant.

**ORDER APPROVING THE FORM AND MANNER OF NOTICE TO
CLAIMANTS AND ESTABLISHING A CLAIMS BAR DATE**

Upon full consideration of the Receiver's Motion for an Order Approving the Form and Manner of Notice to Claimants and Establishing a Claims Bar Date filed by the U.S. Small Business Administration, Receiver ("Receiver") for Waterside Capital Corporation ("Waterside"), and this Court being duly advised as to the merits,

IT IS HEREBY ORDERED THAT:

1. The Receiver's Motion for Entry of an Order Approving the Form and Manner of Notice to Claimants and Establishing a Claims Bar Date is GRANTED;

2. Following the entry of this Order, the Receiver is ORDERED to send notice, substantially in the form set forth as Exhibit A attached hereto, via first-class mail, postage prepaid, to those persons or entities, other than the U.S. Small Business Administration and parties contracted or retained by the U.S. Small Business Administration as Receiver, which the Receiver has reason to believe are creditors, agents, former directors or officers, employees, partners, participant investors or lenders of Waterside, portfolio concerns or shareholders of Waterside, and to any other persons or entities who have, during the term of the receivership,

asserted a claim (of whatever kind or merit) against Waterside, the receivership estate, or assets or funds in the possession of the Receiver;

3. The Receiver is further ORDERED to publish notice, substantially in the form set forth in Exhibit A attached hereto, once each week for two weeks in *The Virginian Pilot*, a newspaper of general circulation serving Virginia Beach, Virginia;

4. This Court has determined that notice provided in the form and manner described in Paragraphs 2 and 3 of this Order is reasonable notice, under the circumstances, to persons or entities who may have claims against Waterside, the receivership estate, or assets or funds in the possession of the Receiver;

5. All persons or entities having claims against Waterside, or the receivership estate, or assets or funds in the possession of the Receiver, other than the U.S. Small Business Administration and parties contracted or retained by the U.S. Small Business Administration as Receiver, are ORDERED to file such claims in writing and in the form prescribed in paragraph 6 of this Order with SBA, Receiver for Waterside Capital Corporation, Attention: Charles P. Fulford, Principal Agent, c/o Stephanie Sheridan 1100 G Street, N.W., 11th Floor, Washington, D.C. 20001, within thirty (30) days of the last day of notice by publication, which date will be stated in the mailed and published notices;

6. In setting forth a claim against Waterside, the receivership estate or assets or funds in the possession of the Receiver, all persons and entities are ORDERED to state in writing: (1) the full name and address and telephone number of the claimant; (2) the amount of the claim; (3) the specific grounds for each claim; and (4) the date on which the obligation was allegedly incurred by Waterside; and (5) to provide at the time of filing such written claims any and all documents or other materials which the claimant believes supports the claim or might

assist the Receiver in evaluating the claim;

7. In the event that the Receiver recommends denial of any claim, it is ORDERED that the Receiver is authorized and directed to move for summary disposition of said claim(s) and to furnish a copy of the moving papers to the claimant(s); in such case the claimant may respond within 30 days, serving a copy of its response on the Receiver, and the Court will resolve said claim(s) expeditiously through a summary procedure that the Court will determine at that time; and

8. To give effect to the “claims bar date” established in Paragraph 5 of this Order, by which date claims must be filed or shall forever be barred, it is further ORDERED that any persons or entities, other than the U.S. Small Business Administration and parties contracted or retained by the U.S. Small Business Administration as Receiver, which fail to file a claim against Waterside, the receivership estate, or assets or funds in the possession of the Receiver, in the form and by the time and date required by this Order, shall be forever barred and permanently enjoined from asserting, pursuing or prosecuting any such claims, of any kind or nature, whether now known or unknown, against Waterside, its Receiver, their successors or assigns, or against assets or funds in the possession of the Receiver.

SO ORDERED.

Date: _____.

THE HONORABLE MARK S. DAVIS
UNITED STATES DISTRICT JUDGE

WE ASK FOR THIS:

DANA J. BOENTE
UNITED STATES ATTORNEY

By: /s/ Gregory D. Stefan
Gregory D. Stefan, VSB # 40855
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NOTICE TO ALL CREDITORS OR CLAIMANTS OF WATERSIDE CAPITAL CORPORATION

By Order of the United States District Court for the Eastern District of Virginia, Norfolk Division, dated _____, persons or entities who wish to assert a claim against Waterside Capital Corporation (“Waterside”) must do so by filing a written claim with the U.S. Small Business Administration, Receiver for Waterside (“Receiver”) on or before [date thirty (30) days after last date of notice by publication]. All previously submitted claims against Waterside or its Receiver must be resubmitted in accordance with this Notice.

Waterside is a Small Business Investment Company (“SBIC”) licensed by the U.S. Small Business Administration (“SBA”). Waterside has been in receivership since May 28, 2014 by Order of the Court identified above, entered in United States of America v. Waterside Capital Corporation, Civil Action No. 13-cv-00653-MSD-LRL (E.D.Va. Norfolk Div.).

Any person or entity asserting a claim against Waterside or assets or funds in the hands of the Receiver, must do so in writing, and forward such claim to:

SBA, Receiver for Waterside Capital Corporation
Attention: Charles P. Fulford, Principal Agent
c/o Stephanie Sheridan
1100 G Street, N.W. 11th Floor
Washington, D.C. 20001

Claims must be received no later than 5:00 p.m. E.S.T., [insert date thirty (30) days after last date of notice by publication].

Your claim must state: (1) the full name, address and telephone number of the claimant; (2) the amount of the claim; (3) the specific grounds for each claim; (4) the date on which the obligation was allegedly incurred by Waterside or the Receiver; and (5) must attach all other documents or materials which support the claim, or which the Receiver might require in evaluating the claim. If you fail to provide any of the specified information, your claim will be deemed incomplete and untimely.

Failure to present a complete and timely claim to the Receiver on or before [insert date] will result in your claim being forever barred, and you will not thereafter be able to make a claim against Waterside, or any other assets or funds in the possession of the Receiver.

U.S. SMALL BUSINESS ADMINISTRATION
as Receiver for Waterside Capital Corporation

Exhibit A